

## INSURANCE DIVISION[191]

## Adopted and Filed

Pursuant to the authority of Iowa Code section 508.36, the Insurance Division hereby amends Chapter 94, “Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities,” Iowa Administrative Code.

The purpose of the rules in Chapter 94 is to recognize, permit and prescribe the use of mortality tables that reflect the differences in mortality between preferred and standard lives in determining minimum reserve liabilities in accordance with Iowa Code section 508.36 and Iowa Administrative Code 191—Chapter 47. This amendment allows use of the 2001 CSO Mortality Table as a substitute on policies issued on or after January 1, 2004, and prior to January 1, 2007, with the consent of the Commissioner and subject to the conditions set forth in 191—94.4(508). The Division intends that Iowa insurance companies and insurance holding companies will comply with the amendment beginning December 8, 2010.

Notice of Intended Action was published in the Iowa Administrative Bulletin on September 8, 2010, as **ARC 9065B**. Comments regarding this amendment were to be received during the comment period and at the public hearing on September 28, 2010. No public comment was received, and this amendment is identical to the one published under Notice of Intended Action.

This amendment is intended to implement Iowa Code chapter 508.

This amendment will become effective December 8, 2010.

The following amendment is adopted.

Amend rule 191—94.3(508) as follows:

**191—94.3(508) 2001 CSO Preferred Class Structure Mortality Table.** At the election of the company, for each calendar year of issue, for any one or more specified plans of insurance and subject to the conditions stated in this chapter, the 2001 CSO Preferred Class Structure Mortality Table may be substituted in place of the 2001 CSO Smoker or Nonsmoker Mortality Table as the minimum valuation standard for policies issued on or after January 1, 2007. For policies issued on or after January 1, 2004, and prior to January 1, 2007, these tables may be substituted with the consent of the commissioner and subject to the conditions of rule 191—94.4(508). In determining such consent, the commissioner may rely on the consent of the commissioner of the company’s state of domicile. No such election shall be made until the company demonstrates that at least 20 percent of the business to be valued using this table is in one or more of the preferred classes. A table from the 2001 CSO Preferred Class Structure Mortality Table used in place of a 2001 CSO Mortality Table, pursuant to the requirements of this rule, will be treated as part of the 2001 CSO Mortality Table for purposes of reserve valuation only, pursuant to the requirements of the National Association of Insurance Commissioners’ model regulation, “Recognition of the 2001 CSO Mortality Table for Use in Determining Minimum Reserve Liabilities and Nonforfeiture Benefits Model Regulation.”

[Filed 10/14/10, effective 12/8/10]

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